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## APPLICATION

6490-67149

Honorable James H. Welsh  
Commissioner of Conservation  
Louisiana Office of Conservation  
P. O. Box 94275  
Baton Rouge, LA 70804-4275

Re: X Zone, Reservoir A  
South Chauvin Field  
Terrebonne Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **DENBURY ONSHORE, LLC** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters related to the **X Zone, Reservoir A**, in the **South Chauvin Field**, Terrebonne, Parish, Louisiana, to-wit:

1. To establish rules and regulations and create two (2) drilling and production units for the exploration for and production of gas and condensate, such units to be designated X RA SUA and X RA SUB;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed units, with each tract sharing in unit production on a surface acreage basis of participation;
3. To designate a unit well for the proposed unit, if appropriate;
4. To designate Denbury Onshore, LLC as the unit operator for the proposed unit;

5. To provide that any future wells drilled to the X Zone, Reservoir A, should be located in accordance with the spacing provisions of Statewide Order No. 29-E;
6. To provide that the Commissioner of Conservation should be authorized to reclassify the X Zone, Reservoir A, by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The X Zone, Reservoir A, in the South Chauvin Field, Terrebonne Parish, Louisiana is hereby defined as being that gas and condensate bearing zone encountered between the depths of 11,338 feet and 12,010 feet, electrical log measurements, in the Shell Oil Co. – South Coast No. 1 Well (SN 50799), located in Section 29, Township 18 South, Range 18 East, Terrebonne Parish, Louisiana.

The pre-application conference tentatively scheduled for June 11, 2007, **WILL NOT BE HELD**, as it was not requested within the delays provided for by the Rules of Procedure; therefore, no opposition to this Application at the hearing is anticipated.

Pertinent data relating to the proposed application can be obtained, **AT THE COST OF THE REQUESTING PARTY**, by contacting E. Holmes Smart with Frank Harrison, Jr. & Associates, P.O. Box 51943, Lafayette, LA 70505, (337) 232-4031.

There is attached hereto and made a part hereof a plat outlining the proposed units and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

  
RANDALL C. SONGY

RCS/jbs/bad

Enclosures

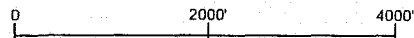
cc: All Interested Owners, Interested Parties and  
Represented Parties

Mr. Richard Hudson, District Manager  
Office of Conservation

DATE:

DENBURY ONSHORE, LLC

**SOUTH CHAUVIN FIELD  
TERREBONNE PARISH, LOUISIANA  
PROPOSED UNITS  
X ZONE**



GRAPHICS BY: GEOLAND GRAPHICS, LLC LAFAYETTE, LA (337) 233-1887

FRANK W. HARRISON, JR.  
CONSULTING GEOLOGIST - LAFAYETTE, LOUISIANA

